

# VERMONT STATE TEACHERS' RETIREMENT SYSTEM

Meeting of the Board of Trustees

**August 4, 2008**

## **VSTRS Members present:**

JON HARRIS, Chairperson (Active No. 25669), term expiring July 1, 2011  
JOSEPH MACKEY, Vice-Chairperson (Active No. 29334), term expiring July 1, 2009  
JAY KAPLAN, Association of Retired Teachers of Vermont, term expiring July 1, 2012  
THOMAS CANDON, representing Commissioner of BISHCA  
VAUGHN ALTEMUS, representing Commissioner of Education  
JEB SPAULDING, VT State Treasurer

## **Also attending:**

Donna Holden, Board Coordinator  
Cynthia Webster, Retirement Policy and Outreach Director  
Bill Griffin, Chief Assistant Attorney General  
Bill Rice, Law & Policy Director  
David Minot, Director of Finance and Investments  
Elizabeth Pearce, Deputy Treasurer  
Linda Deliduka

The Chairperson, Jon Harris, called the Monday, August 4, 2008, *conference call* meeting to order at 9:02 a.m., which was held in the 4<sup>th</sup> Floor Conference Room, 109 State Street, Montpelier, Vermont.

## **ITEM 1:      Contract Negotiations**

**At 9:08 a.m. on a motion by Mr. Candon seconded by Mr. Spaulding, the Board unanimously voted to enter into executive session, pursuant to Title 1 § 313, to discuss contract matters.**

Mrs. Webster, Mr. Minot, Mr. Rice, Mr. Griffin, Ms. Deliduka, Ms. Pearce, and Mrs. Holden were invited into the executive session.

**At 10:33 a.m. the Board exited executive session.**

**On a motion by Mr. Kaplan seconded by Mr. Mackey, the Board unanimously voted to offer scenario II (as detailed in the August 1, 2008, memorandum from GWRS) through a 3, 4, or 5 year contract with Great West Retirement Services, and to consider inclusion of the *Reality Investing* product suite subject to due diligence by a Board subcommittee.**

Mr. Harris, Mr. Spaulding, and Mr. Altemus agreed to serve on the subcommittee. It was further discussed and agreed that all Board members would receive notice of the date and time of the due diligence meeting with GWRS to discuss the Reality Investing products and services.

**It was also discussed and agreed** the Board would receive information from any final fee negotiations, and product suite due diligence meeting before a Board conference call meeting on Friday, August 8, 2008, at 1:30 p.m.

## **ITEM 2:      IRS Determination Letter Action of 7/24/08 - Reconsideration**

Mr. Griffin described the process and reasons for the recommendation to engage counsel from the firm of Edwards, Angell, Palmer and Dodge to perform the IRS determination consulting services.

Discussion ensued. Some members expressed their concern and desire to contract with a firm or attorney that specialized in public pension plan law, while other members agreed they were able to rely on the AG's

recommendation. Mr. Griffin assured the Board they would be informed of any issues or matters of concern regarding the Plan during the determination process.

**On a motion by Mr. Altemus seconded by Mr. Candon, the Board voted to move forward with the determination process as discussed and voted on July 24, 2008, with the provision that any circumstances that require legislative amendment be brought before the Board for consideration and/or further action, and before recommendations for remedy or solutions were prepared. *Motion carried, 5-1. Mr. Spaulding voted no.***

### **Adjournment**

**At 11:45 a.m. the Chair declared the meeting adjourned.**

### **Next Meeting Dates:**

The next scheduled *conference call* meeting is August 8, 2008

The next scheduled business meeting is September 10, 2008

The VSTRS actuarial valuation meeting is scheduled for October 29, 2008.

Respectfully submitted,

Donna Holden  
Board Coordinator for Cynthia Webster, Secretary to the Board